CITY COUNCIL MEETING SEPTEMBER 5, 1990

PUC APPLICATION

CC-7(f)

City Clerk Reimche presented PUC Application No. 90-08-029 filed by Pacific Gas and Electric Company (PG&E) requesting to increase its rates for natural gas services under the Annual Cost Allocation Proceeding (ACAP) adopted by the California Public Utilities Commission.

• Padfic Gas and Electric Lumpany

77 Beale Street San Francisco, CA 94106 415/972-7000



August 20, 1990

TO: THE STATE, COUNTY AND CITY OFFICIALS AND INTERESTED PARTIES

Pacific Gas and Electric Company (PG&E) has filed Application No. 90-08-029 in which it requests at hority to increase its rates for natural gas services under the Annual Cost Allocation Proceeding (ACAP) adopted by the California Public Utilities Commission (Commission) in Decision Nos. 87-12-039 and 89-01-040. PG&E seeks authority to increase its rates by approximately \$99.1 million on an annualized basis, approximately 3.3%, effective April 1, 1991.

The gas rate increase proposed by PG&E is made to recover forecasted increases in gas costs, an undercollection in balancing accounts, and a forecasted shortfall in gas transportation revenues if present rates were adopted for the test period.

The Commission will hold hearings on the proposed increase later this year. Parties at those hearings may offer proposals to the CPUC which differ substantially from those requested by the utility. After considering all proposals presented during the formal hearing process, the Commission will issue a decision. The actual rates and revenue requirement adopted by the Commission may differ significantly from PG&E's original request and may result in an increase or decrease in rates.

If you wish to participate in the hearings or need advice, please write to the Public Advisor, California Public Utilities Commission at 505 Van Ness Avenue, Room 5303, San Francisco, California, 94102. Inquiries about the date, time and place of hearing on the application may be directed to the Public Advisor.

A copy of the Application and related exhibits may also be examined at the Commission, as well as at the offices of Pacific Gas and Electric Company, 77 Beale Street, Room 3022, San Francisco, California, 94106; or at PG&E's Division Offices in Fresno, Oakland, Sacramento, San Jose, and Santa Rosa.

This notice is given in accordance with Rule 24 of the Rules of Practice and Procedure of the California Public Utilities Commission.

PACIFIC GAS AND ELECTRIC COMPANY

MARK R. HUFFMAN